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In the Matter of

Broadband Industry Practices

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**COMMENTS OF GEOFF DAILY**

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## Opportunities of In-Network Applications

One of the newest, most exciting trends on the Internet are the first steps being taken by applications moving in-network.

A fundamental premise of the Internet is that the closer the server on which an application resides, the better the performance an end user will experience.

In-network applications take this idea to its natural endgame, where the servers that house applications come out of the cloud and into the last-mile access network.

By moving in-network, applications can realize a previously unreachable level of quality of service.

An example of this is a new in-network product offered by HomeMovie.com.

Unlike its online service called StashSpace.com, which can serve videos at around 500Kbps, HomeMovie.com's in-network solution can deliver video at up to 2.5Mbps.

In-network applications hold unlimited promise for empowering applications to overcome the bandwidth limitations of the larger Internet by leveraging network operators' ability to manage traffic on their network.

These new levels of quality of service enabled by going in-network are not about slowing Internet traffic down but instead speeding applications up, allowing them to run faster, better, and often cheaper as in-network bandwidth does not incur the cost network operators must pay to send and receive data over the Internet.

But this space is very nascent. The first wave of in-network products is just now trickling onto the market, and deployments of in-network applications are still very limited.

Because of this, imposing heavy-handed federal regulation on how network operators can manage their networks will likely limit their ability to conduct business in this brand new marketplace, stifling the potential for innovation and investment in-network.

This is especially troubling for communities with advanced fiber networks. By limiting their ability to manage their networks it may have the adverse

affect of restricting their evolution to the same pace as the larger Internet. They may not be able to take advantage of their limitless in-network bandwidth to step boldly into a future filled with more bandwidth-intensive applications.

Also worrisome is the fact that if we enact the broad net neutrality legislation as it has been proposed, we will not spur the growth of Internet or in-network applications but instead line the pocketbooks of law firms as multi-billion dollar corporations gear up to fight over what “non-discriminatory net neutrality” actually entails.